

Message Text

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PAGE 01 GENOA 00493 240110Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
USIA-06 EB-08 COME-00 TRSE-00 SIL-01 LAB-04 /072 W
-----128257 241840Z /43

R 231205Z SEP 77
FM AMCONSUL GENOA
TO SECSTATE WASHDC 2024
INFO AMEMBASSY ROME
AMCONSUL MILAN
AMCONSUL TURIN

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MILAN HOLD FOR TURIN

E.O. 11652: N/A
TAGS: EINV, ELAB, BBAK, IT
SUBJECT: TORRINGTON UPDATE

REF: (A) GENOA 0272 (B) GENOA 0140 (C) GENOA 0106

1. AFTER SEVERAL MONTHS OF INACTION, THERE HAS BEEN SOME
MOVEMENT TO RESOLVE THE LONG STANDING TORRINGTON PROBLEM.
IN MID-SEPTEMBER, TORRINGTON SUBMITTED A FORMAL OFFER FOR
THE SALE OF ITS GENOA PROPERTY TO SETTE GERI, THE AGENCY
THAT THE GOVERNMENT SALVAGE AGENCY, GEPI, ESTABLISHED TO
CONTINUE WORKER SUPPLEMENT BENEFITS TO TORRINGTON'S FORMER
EMPLOYEES. TORRINGTON OFFERED TO SELL ALL LAND AND IMPROVEMENTS
TO SETTE GERI FOR AN UNDISCLOSED PRICE SUBJECT TO ITALIAN
GUARANTEES PERMITTING THE COMPANY TO REMOVE DOCUMENTS AND
SPECIALIZED MACHINERY FROM ITS OCCUPIED PLANT.

2. SETTE GERI'S REPLY IS EXPECTED BY MID-OCTOBER. SEVERAL
DEVELOPMENTS LEAD TORRINGTON TO BELIEVE THAT SETTE GERI
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PAGE 02 GENOA 00493 240110Z

WILL RESPOND FAVORABLY TO ITS OFFER AND THAT AN AGREEMENT
IN PRINCIPLE CAN BE INITIALED BY YEAR'S END. THESE
DEVELOPMENTS INCLUDE:

(A) A DEFINITE INTEREST ON THE PART OF THE FRENCH FIRM,
LA BOURSE', TO TAKE OVER THE TORRINGTON FACILITY FOR NEEDLE
PRODUCTION;

(B) THE UNION'S INFORMAL ASSURANCE TO SETTE GERI THAT THE EMPLOYEES WILL ACCEPT TORRINGTON'S WITHDRAWAL OF MACHINES IN RETURN FOR A GUARANTEE OF FULL EMPLOYMENT. THE UNION RETAINS THE RIGHT TO REVIEW ANY NEW CONTRACT TO ENSURE THAT THE WORKER'S RIGHTS ARE PROTECTED, AND

(C) PARLIAMENTARY PASSAGE OF LAW 675, THE INDUSTRIAL RECONSTRUCTION LAW, THAT INTER ALIA AUTHORIZED FUNDS TO GEPI TO OPERATE ITS 30 ODD SUBSIDIARIES FOR THE PERIOD 1976 TO 1979. UNDER ITS ALLOCATION, SETTE GERI WILL BE GIVEN FUNDS TO BUY TORRINGTON AND TO PROVIDE A SUBSIDY TO THE LA BOURSE' FIRM.

3. WHILE TORRINGTON AWAITS SETTE GERI'S REPLY TO ITS OFFER, THE EMPLOYEES' OCCUPATION OF THE PLANT HAS NOW SURPASSED THE 825 DAYS MARK. TORRINGTON'S LEGAL EFFORTS TO EVICT THE OCCUPIERS ARE MOVING SLOWLY THROUGH THE LOCAL COURT SYSTEM. THE COMPANY IS REPORTEDLY RELUCTANT TO PRESS FOR SPEEDY COURT DECISIONS OUT OF FEAR OF ADVERSELY AFFECTING THE CLIMATE FOR A SETTLEMENT.

COMMENT: WHILE PROSPECTS FOR AN AGREEMENT BETWEEN TORRINGTON AND SETTE GERI ARE GOOD, ANY AGREEMENT IS SUBJECT TO REVIEW BY CIPE AND THE UNIONS. UNDER THE RECENTLY PASSED INDUSTRIAL RECONSTRUCTION LAW, SETTE GERI'S PLANS FOR THE LIMITED OFFICIAL USE

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PAGE 03 GENOA 00493 240110Z

TORRINGTON PLANT MUST BE REVIEWED BY THE REGION AND THE UNION. THIS TIME CONSUMING CONSULTATIVE PROCESS CAN DELAY FINAL SETTLEMENT FOR MANY MONTHS.DISCIULLO

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Message Attributes

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Control Number: n/a
Copy: SINGLE
Sent Date: 23-Sep-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
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Executive Order: N/A
Errors: N/A
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Format: TEL
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ISecure: 1
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